

AMENDED IN SENATE MAY 19, 1998

AMENDED IN SENATE APRIL 14, 1998

**SENATE BILL**

**No. 1916**

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**Introduced by Senator Sher**

February 19, 1998

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An act to amend Section 12805.5 of the Government Code, and to amend Sections 25173.6, 25173.7, 25205.15, 25244.13, 25244.14, 25244.22, and 57000 of, and to add Sections 25244.15.1, 25244.17.1, 25244.17.2, 57007, and 57008 to, the Health and Safety Code, relating to environmental protection.

LEGISLATIVE COUNSEL'S DIGEST

SB 1916, as amended, Sher. Hazardous waste source reduction: toxic chemical releases.

(1) Existing law, the Environmental Cleanup and Fee Reform Act of 1997, creates the Toxic Substances Control Account in the General Fund, as of July 1, 1998, and requires specified funds to be deposited in that account. The funds deposited in the account are appropriated to the Department of Toxic Substances Control for specified purposes, including, among other things, the unified hazardous waste and hazardous materials management program. Existing law makes a statement of legislative intent concerning the appropriation of funds from the account by the annual Budget Act, including a statement that it is the intent of the Legislature to appropriate not more than \$1,200,000 for the purpose of implementing the unified program. Existing law, the Environmental Cleanup and Fee Reform Act of 1997,

creates the Toxic Substances Control Account in the General Fund, as of July 1, 1998, and requires specified funds be deposited in that account, including the charge imposed on corporations handling hazardous materials. The funds deposited in the Toxic Substances Control Account are appropriated to the department for specified purposes, including, among other things, the unified hazardous waste and hazardous materials management program.

This bill would allow the funds in the Toxic Substances Control Account to be appropriated for the unified hazardous waste and hazardous ~~material~~ *materials management* program only until June 30, 1999.

*This bill would also allow the funds deposited in the Toxic Substances Control Account to be appropriated by the Legislature to the Environmental Protection Agency to implement the California Challenge Program, as specified in paragraph (4).*

The bill would revise the statement of legislative intent to delete the statement regarding the appropriation of funds in the account for the unified hazardous waste and hazardous ~~material~~ *materials management* program and would additionally state that it is the intent of the Legislature to appropriate not less than \$1,050,000, in the annual Budget Act commencing with the 1999–2000 fiscal year to establish and implement a specified program to encourage hazardous waste generators to implement pollution prevention measures *and to implement the California Challenge Program, as specified in paragraph (4).*

(2) Existing law requires a specified fee to be paid for each manifest form used before June 30, 1998, except as specified, and requires the department to impose a specified manifest fee system after June 30, 1998, that excludes certain wastes that are recycled. Existing law requires the department to annually expend \$1,050,000, commencing with the 1999–2000 fiscal year, upon appropriation by the Legislature, from the manifest fees deposited in the Hazardous Waste Control Account, to encourage hazardous waste generators to implement pollution prevention measures.

This bill would repeal the requirement that funds be expended from the manifest fees deposited in the Hazardous Waste Control Account for pollution prevention measures.

(3) Existing law, the Hazardous Waste Source Reduction and Management Review Act of 1989, requires specified generators of hazardous waste to maintain certain plans and reports, and summaries with regard to hazardous waste reduction practices. The Director of Toxic Substances Control is required to submit a biennial report of the department's implementation of the act.

This bill would create the California Source Reduction Advisory Committee, with a specified membership, and would provide for the duties of the committee, including *evaluating* the progress of the department's source reduction program. The bill would require the department to establish a technical assistance and outreach program to promote implementation of model source reduction measures in priority industry categories, as specified, and to establish a program to provide training and resources to certified unified program agencies, small business development corporations, business environmental assistance centers, and other regional and local government environmental assistance programs to provide technical assistance to generators in identifying and applying methods of source reduction.

This bill would delete the requirement for the biennial report and would instead require the department, by March 15, 2000, and on or before March 15, every other year thereafter, to prepare a draft work plan, in consultation with the advisory committee to implement to the act and to finalize that work plan by July 1, 2000, and by July 1, every other year thereafter. The bill would provide for the information required to be included in the work plan, including an outline of the department's operations and activities proposed for the next 2-year period.

(4) Under existing law, various boards, offices, and departments are established within the California Environmental Protection Agency. The agency, and the offices, boards, and departments within the agency, are required to institute quality government programs to achieve specified goals. Under existing law, the Governor is required

to transmit an annual report to the Legislature, designated as the “Environmental Report of the Governor” ~~to the Legislature~~. Existing law, the Environmental Protection Permit Reform Act of 1993, created the California Environmental Policy Council and authorizes the Secretary for Environmental Protection to refer environmental projects to the council for the designation of a consolidated permit agency.

This bill would create, in the agency, the California Challenge ~~program~~ *Program* to promote the reduction of chemical releases, and would require the council to administer the program. The bill would require the council to solicit participation by facilities that offer to implement measures to reduce chemical releases by a specified amount and to list 20 toxic chemicals that would be subject to the program. The bill would require the council to take other specified actions, including establishing a means for monitoring the progress of each facility and evaluating the implementation *of* the program, and reporting on the progress of the program in the annual Environmental Report of the Governor.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 12805.5 of the Government  
2 Code is amended to read:  
3 12805.5. (a) The Governor, utilizing the staff and  
4 resources of state agencies, shall transmit to the  
5 Legislature, not later than March 15 of each year, an  
6 environmental report designated as the “Environmental  
7 Report of the Governor” setting forth all of the following:  
8 (1) A review of environmental developments during  
9 the preceding calendar year, including trends in air  
10 quality, water quality, solid waste, the generation and  
11 disposal of hazardous waste, population growth, the  
12 growth in number of vehicles, depletion of natural  
13 resources, and other indicators of environmental quality  
14 and pollution.



1 (2) Forecasts of trends in major indicators of  
2 environmental quality, resource depletion, and pollution.

3 (3) Insofar as possible within existing resources, an  
4 evaluation of the economic and human health costs of  
5 resource depletion, pollution, and changes in  
6 environmental quality.

7 (4) Additional material on the California environment  
8 that is pertinent and of interest, with historical analysis  
9 and future projections whenever possible.

10 (5) Summaries of state policies and actions that relate  
11 to environmental developments and trends.

12 (6) A status update on the California Environmental  
13 Technology Program established pursuant to Section  
14 12812.5.

15 (7) A progress report on the California Challenge  
16 Program established pursuant to Section 57008 of the  
17 Health and Safety Code.

18 (b) In conjunction with the environmental report, the  
19 Governor shall present an environmental message  
20 reviewing significant environmental achievements of the  
21 past year, outlining problem areas, and defining  
22 environmental policy, and shall make recommendations  
23 as may be appropriate for programs to decrease pollution,  
24 improve environmental quality, and protect natural  
25 resources.

26 SEC. 2. Section 25173.6 of the Health and Safety Code  
27 is amended to read:

28 25173.6. (a) There is in the General Fund the Toxic  
29 Substances Control Account, which shall be administered  
30 by the director. In addition to any other money that may  
31 be appropriated by the Legislature to the Toxic  
32 Substances Control Account, all of the following shall be  
33 deposited in the account:

34 (1) The fees collected pursuant to Section 25205.6.

35 (2) The fees collected pursuant to Section 25187.2, to  
36 the extent that those fees are for oversight of a removal  
37 or remedial action taken under Chapter 6.8  
38 (commencing with Section 25300) or Chapter 6.85  
39 (commencing with Section 25396).

1 (3) Any fines or penalties collected pursuant to this  
2 chapter, Chapter 6.8 (commencing with Section 25300)  
3 or Chapter 6.85 (commencing with Section 25396),  
4 except as directed otherwise by Section 25192.

5 (4) Any interest earned upon money deposited in the  
6 Toxic Substances Control Account.

7 (5) All money recovered pursuant to Section 25360,  
8 except recoveries of amounts paid from the Hazardous  
9 Substance Cleanup Fund.

10 (6) All money recovered pursuant to Section 25380.

11 (7) Any reimbursements for funds expended from the  
12 Toxic Substances Control Account for services provided  
13 by the department, including, but not limited to,  
14 reimbursements required pursuant to Sections 25201.9  
15 and 25343.

16 (8) Any money received from the federal government  
17 pursuant to the federal Comprehensive Environmental  
18 Response, Compensation, and Liability Act of 1980, as  
19 amended (42 U.S.C. Sec. 9601, et seq.).

20 (9) Any money received from responsible parties for  
21 remedial action or removal at a specific site, except as  
22 otherwise provided by law.

23 (b) The funds deposited in the Toxic Substances  
24 Control Account may be appropriated to the department  
25 for the following purposes:

26 (1) The administration and implementation of the  
27 following:

28 (A) Chapter 6.8 (commencing with Section 25300),  
29 except that no funds may be expended from the Toxic  
30 Substances Control Account for purposes of Section  
31 25354.5.

32 (B) Chapter 6.85 (commencing with Section 25396).

33 (C) On and before June 30, 1999, Chapter 6.11  
34 (commencing with Section 25404).

35 (D) Article 10 (commencing with Section 7710) of  
36 Chapter 1 of Division 4 of the Public Utilities Code, to the  
37 extent the department has been delegated  
38 responsibilities by the secretary for implementing that  
39 article.

(2) The administration of the following units within the department:

(A) The Human and Ecological Risk Division.

(B) The Hazardous Materials Laboratory.

(C) The Office of Pollution Prevention and Technology Development.

(3) For allocation to the Office of Environmental Health Hazard Assessment, pursuant to an interagency agreement, to assist the department as needed in administering the programs described in subparagraphs (A) and (B) of paragraph (1).

(4) For allocation to the State Board of Equalization to pay refunds of fees collected pursuant to Section 43054 of the Revenue and Taxation Code.

(5) For the state share mandated pursuant to paragraph (3) of subsection (c) of Section 104 of the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9404(c)(3)).

(6) For the purchase by the state, or by any local agency with the prior approval of the director, of hazardous substance response equipment and other preparations for response to a release of hazardous substances. However, all equipment shall be purchased in a cost-effective manner after consideration of the adequacy of existing equipment owned by the state or the local agency, and the availability of equipment owned by private contractors.

(7) For payment of all costs of removal and remedial action incurred by the state, or by any local agency with the approval of the director, in response to a release or threatened release of a hazardous substance, to the extent the costs are not reimbursed by the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9601, et seq.).

(8) For payment of all costs of actions taken pursuant to subdivision (b) of Section 25358.3, to the extent that these costs are not paid by the federal Comprehensive

1 Environmental Response, Compensation, and Liability  
2 Act of 1980, as amended (42 U.S.C. Sec. 9601, et seq.).

3 (9) For all costs incurred by the department in  
4 cooperation with the Agency for Toxic Substances and  
5 Disease Registry established pursuant to subsection (i) of  
6 Section 104 of the federal Comprehensive  
7 Environmental Response, Compensation, and Liability  
8 Act of 1980, as amended (42 U.S.C. Sec. 9604(i)) and all  
9 costs of health effects studies undertaken regarding  
10 specific sites or specific substances at specific sites. Funds  
11 appropriated for this purpose shall not exceed five  
12 hundred thousand dollars (\$500,000) in any single fiscal  
13 year. However, these actions shall not duplicate  
14 reasonably available federal actions and studies.

15 (10) For repayment of the principal of, and interest  
16 on, bonds sold pursuant to Article 7.5 (commencing with  
17 Section 25385).

18 (11) For the reasonable and necessary administrative  
19 costs and expenses of the Hazardous Substance Cleanup  
20 Arbitration Panel created pursuant to Section 25356.2.

21 (12) Direct site remediation costs.

22 (13) For the department's expenses for staff to  
23 perform oversight of investigations, characterizations,  
24 removals, remediations, or long-term operation and  
25 maintenance.

26 (14) For the administration and collection of the fees  
27 imposed pursuant to Section 25205.6.

28 (c) The funds deposited in the Toxic Substances  
29 Control Account may be appropriated by the Legislature  
30 to the office of the Attorney General for the support of the  
31 Toxic Substance Enforcement Program in the office of  
32 the Attorney General, in carrying out the purposes of  
33 Chapter 6.8 (commencing with Section 25300) and  
34 Chapter 6.85 (commencing with Section 25396).  
35 Expenditures for the purposes of this subdivision are not  
36 subject to an interagency or interdepartmental  
37 agreement.

38 (d) *The funds deposited in the Toxic Substances*  
39 *Control Account may be appropriated by the Legislature*  
40 *to the Environmental Protection Agency to implement*



1 *the California Challenge Program pursuant to Section*  
2 *57008.*

3 (e) The director shall expend federal funds in the  
4 Toxic Substances Control Account consistent with the  
5 requirements specified in Section 114 of the federal  
6 Comprehensive Environmental Response,  
7 Compensation, and Liability Act of 1980, as amended (42  
8 U.S.C. Sec. 9601), upon appropriation by the Legislature,  
9 for the purposes for which they were provided to the  
10 state.

11 ~~(e)–~~

12 (f) Money in the Toxic Substances Control Account  
13 shall not be expended to conduct removal or remedial  
14 actions if any significant portion of the hazardous  
15 substances to be removed or remedied originated from a  
16 source outside the state.

17 ~~(f)–~~

18 (g) The Director of Finance, upon request of the  
19 director, may make a loan from the General Fund to the  
20 Toxic Substances Control Account to meet cash needs.  
21 The loan shall be subject to the repayment provisions of  
22 Section 16351 of the Government Code and the interest  
23 provisions of Section 16314 of the Government Code.

24 SEC. 3. Section 25173.7 of the Health and Safety Code  
25 is amended to read:

26 25173.7. (a) It is the intent of the Legislature that  
27 funds deposited in the Toxic Substances Control Account  
28 shall be appropriated in the annual Budget Act each year  
29 in the following manner:

30 (1) Not less than six million seven hundred fifty  
31 thousand dollars (\$6,750,000) to the Site Remediation  
32 Account in the General Fund for direct site remediation  
33 costs, as defined in Section 25337. The amount specified  
34 in this paragraph shall be increased in any fiscal year by  
35 the amount of increased revenues specified by the  
36 Legislature in the Budget Act for that fiscal year pursuant  
37 to subdivision (f) of Section 25205.6.

38 (2) Not less than four hundred thousand dollars  
39 (\$400,000) to the Expedited Site Remediation Trust Fund  
40 in the State Treasury, created pursuant to subdivision (a)

1 of Section 25399.1, for purposes of paying the orphan  
2 share of response costs pursuant to Chapter 6.85  
3 (commencing with Section 25396).

4 (3) Eight million dollars (\$8,000,000) for purposes of  
5 the administration of the units of the department  
6 specified in paragraph (2) of subdivision (b) of Section  
7 25173.6.

8 (4) Commencing with the 1999–2000 fiscal year, and  
9 for each fiscal year annually thereafter, not less than one  
10 million fifty thousand dollars (\$1,050,000) for purposes of  
11 establishing and implementing a program pursuant to  
12 Sections 25244.15.1, 25244.17.1, 25244.17.2, and 25244.22 to  
13 encourage hazardous waste generators to implement  
14 pollution preventive measures *and for implementing the*  
15 *California Challenge Program pursuant to Section 57008.*

16 (5) Not more than five hundred thousand dollars  
17 (\$500,000) for purposes of the administration and  
18 collection of the fees specified in paragraph (14) of  
19 subdivision (b) of Section 25173.6.

20 (6) Funds not appropriated as specified in paragraphs  
21 (1) to (5), inclusive, may be appropriated for any of the  
22 purposes specified in subdivision (b) of Section 25173.6,  
23 except the purposes specified in subparagraph (C) of  
24 paragraph (1) of, and paragraph (14) of, subdivision (b)  
25 of Section 25173.6.

26 (b) The amounts specified in paragraphs (1) to (5),  
27 inclusive, of subdivision (a) are the amounts that the  
28 Legislature intends to appropriate for the 1998–99 fiscal  
29 year. Beginning with the 1999–2000 fiscal year, and for  
30 each fiscal year thereafter, the amounts shall be adjusted  
31 annually to reflect increases or decreases in the cost of  
32 living during the prior fiscal year, as measured by the  
33 Consumer Price Index issued by the Department of  
34 Industrial Relations or by a successor agency.

35 SEC. 4. Section 25205.15 of the Health and Safety  
36 Code is amended to read:

37 25205.15. (a) Except for the first four manifests used  
38 in a calendar year by a business with less than 100  
39 employees, and except as provided in subdivision (b), the  
40 department shall impose a fee of twelve dollars (\$12) for

1 each California Uniform Hazardous Waste Manifest form  
2 used on or before June 30, 1998, by any person in the  
3 following manner:

4 (1) The Governor may order the department to  
5 refund three-quarters of the amount of manifest fees paid  
6 on manifests used during the 1991 calendar year.

7 (2) On and after the 1992 calendar year, for all  
8 manifests used on or before June 30, 1998, the manifest fee  
9 shall be assessed on all manifests used in the calendar year  
10 ending prior to the start of the fiscal year in which the  
11 billing occurs.

12 (b) The manifest fee for any manifest that is used on  
13 or before June 30, 1998, solely for wastes that are to be  
14 recycled is six dollars (\$6) and the total amount of  
15 manifest fees paid in a calendar year for these manifests  
16 shall not exceed five thousand dollars (\$5,000) for each  
17 hazardous waste identification number issued either by  
18 the department or the Environmental Protection  
19 Agency.

20 (c) On and after June 30, 1998, in addition to any fees  
21 to cover printing and distribution costs, the department  
22 shall impose a manifest fee of seven dollars and fifty cents  
23 (\$7.50) for each California Hazardous Waste Manifest  
24 form used after June 30, 1998, by any person, in the  
25 following manner:

26 (1) Except as provided in paragraph (2), on and after  
27 July 1, 1998, the department shall bill generators for each  
28 California Uniform Hazardous Waste Manifest form,  
29 manifest number, or electronic equivalent used after  
30 June 30, 1998. The billing frequency specified by the  
31 department may range from monthly to quarterly, with  
32 the payment by the generator required within 30 days  
33 from the date of receipt of the billing, and shall be  
34 determined based on consultation with the regulated  
35 community. In preparing the bills, the department shall  
36 distinguish between manifests used solely for recycled  
37 hazardous wastes and those used for nonrecycled  
38 hazardous wastes.

39 (2) On July 1, 2000, the department shall determine if  
40 revenues from the manifest fee as collected pursuant to

1 paragraph (1) will equal or exceed one million seven  
2 hundred thousand dollars (\$1,700,000) for the 1999–2000  
3 fiscal year. If the department determines that the  
4 manifest fee revenues will not equal or exceed one  
5 million seven hundred thousand dollars (\$1,700,000) for  
6 the 1999–2000 fiscal year, the manifest fee shall instead,  
7 commencing July 1, 2000, be collected at the time of  
8 original sale of the manifest or distribution of manifest  
9 numbers or electronic equivalent to users by the  
10 department for all manifests that will be used after June  
11 30, 1998.

12 (3) The manifest fee shall not be collected on the use  
13 of California Hazardous Waste Recycling Manifests that  
14 are used solely for hazardous wastes that are recycled.

15 (4) On or before June 30, 1998, the department shall  
16 implement a system for the use of manifests that, after  
17 that date, distinguishes between recycling manifests used  
18 solely for hazardous wastes that are to be recycled and  
19 general manifests that may be used for transporting waste  
20 for any purpose.

21 (5) If a person uses a recycling manifest that is  
22 designated for recycled hazardous wastes for other types  
23 of hazardous waste, the person shall pay the manifest fee  
24 provided for in this subdivision and an additional error  
25 correction fee of twenty dollars (\$20) per manifest, as  
26 required pursuant to Section 25160.5. However, the  
27 department shall provide the manifest user with a  
28 reasonable opportunity to notify the department of any  
29 incorrect use of the recycling manifest and provide the  
30 department with the appropriate manifest fee payment  
31 without additional fines, penalties, or payment of the  
32 error correction fee.

33 (6) The department may adopt regulations to  
34 implement and administer the manifest fee system  
35 imposed pursuant to this subdivision.

36 (d) The department shall expend the sum of one  
37 million dollars (\$1,000,000) from the manifest fees  
38 deposited in the Hazardous Waste Control Account, upon  
39 appropriation by the Legislature in the annual Budget  
40 Act, to cover the one-time costs of implementing changes



1 to the hazardous waste manifest tracking system during  
2 the 1998–99 fiscal year.

3 (e) The manifest fees shall be deposited in the  
4 Hazardous Waste Control Account and be available for  
5 expenditure, upon appropriation by the Legislature.

6 SEC. 5. Section 25244.13 of the Health and Safety  
7 Code is amended to read:

8 25244.13. The Legislature finds and declares as  
9 follows:

10 (a) Existing law requires the department and the State  
11 Water Resources Control Board to promote the reduction  
12 of generated hazardous waste. This policy, in  
13 combination with hazardous waste land disposal bans,  
14 requires the rapid development of new programs and  
15 incentives for achieving the goal of optimal minimization  
16 of the generation of hazardous wastes. Substantial  
17 improvements and additions to the state's hazardous  
18 waste reduction program are required to be made if these  
19 goals are to be achieved.

20 (b) Hazardous waste source reduction provides  
21 substantial benefits to the state's economy by maximizing  
22 use of materials, avoiding generation of waste materials,  
23 improving business efficiency, enhancing revenues of  
24 companies that provide products and services in the state,  
25 increasing the economic competitiveness of businesses  
26 located in the state, and protecting the state's precious  
27 and valuable natural resources.

28 (c) It is the goal of this article to do all of the following:

29 (1) Reduce the generation of hazardous waste.

30 (2) Reduce the release into the environment of  
31 chemical contaminants which have adverse and serious  
32 health or environmental effects.

33 (3) Document hazardous waste management  
34 information and make that information available to state  
35 and local government.

36 (d) It is the intent of this article to promote the  
37 reduction of hazardous waste at its source, and wherever  
38 source reduction is not feasible or practicable, to  
39 encourage recycling. Where it is not feasible to reduce or  
40 recycle hazardous waste, the waste should be treated in

1 an environmentally safe manner to minimize the present  
2 and future threat to health and the environment.

3 (e) It is the intent of the Legislature not to preclude  
4 the regulation of environmentally harmful releases to all  
5 media, including air, land, surface water, and  
6 groundwater, and to encourage and promote the  
7 reduction of these releases to air, land, surface water, and  
8 groundwater.

9 (f) It is the intent of the Legislature to encourage all  
10 state departments and agencies, especially the State  
11 Water Resources Control Board, the California regional  
12 water quality control boards, the State Air Resources  
13 Board, the air pollution control districts, and the air  
14 quality management districts, to promote the reduction  
15 of environmentally harmful releases to all media.

16 SEC. 6. Section 25244.14 of the Health and Safety  
17 Code is amended to read:

18 25244.14. For purposes of this article, the following  
19 definitions apply:

20 (a) “Advisory committee” means the California  
21 Source Reduction Advisory Committee established  
22 pursuant to Section 25244.15.1.

23 (b) “Appropriate local agency” means a county, city,  
24 or regional association that has adopted a hazardous waste  
25 management plan pursuant to Article 3.5 (commencing  
26 with Section 25135).

27 (c) “Hazardous waste management approaches”  
28 means approaches, methods, and techniques of managing  
29 the generation and handling of hazardous waste,  
30 including source reduction, recycling, and the treatment  
31 of hazardous waste.

32 (d) “Hazardous waste management performance  
33 report” or “report” means the report required by  
34 subdivision (b) of Section 25244.20 to document and  
35 evaluate the results of hazardous waste management  
36 practices.

37 (e) (1) “Source reduction” means one of the  
38 following:

39 (A) Any action that causes a net reduction in the  
40 generation of hazardous waste.



(B) Any action taken before the hazardous waste is generated that results in a lessening of the properties which cause it to be classified as a hazardous waste.

(2) “Source reduction” includes, but is not limited to, all of the following:

(A) “Input change,” which means a change in raw materials or feedstocks used in a production process or operation so as to reduce, avoid, or eliminate the generation of hazardous waste.

(B) “Operational improvement,” which means improved site management so as to reduce, avoid, or eliminate the generation of hazardous waste.

(C) “Production process change,” which means a change in a process, method, or technique which is used to produce a product or a desired result, including the return of materials or their components, for reuse within the existing processes or operations, so as to reduce, avoid, or eliminate the generation of hazardous waste.

(D) “Product reformulation,” which means changes in design, composition, or specifications of end products, including product substitution, so as to reduce, avoid, or eliminate the generation of hazardous waste.

(3) “Source reduction” does not include any of the following:

(A) Actions taken after a hazardous waste is generated.

(B) Actions that merely concentrate the constituents of a hazardous waste to reduce its volume or that dilute the hazardous waste to reduce its hazardous characteristics.

(C) Actions that merely shift hazardous wastes from one environmental medium to another environmental medium.

(D) Treatment.

(f) “Source reduction evaluation review and plan” or “review and plan” means a review conducted by the generator of the processes, operations, and procedures in use at a generator’s site, in accordance with the format established by the department pursuant to subdivision

1 (a) of Section 25244.16, and that does both of the  
2 following:

3 (1) Determines any alternatives to, or modifications  
4 of, the generator's processes, operations, and procedures  
5 that may be implemented to reduce the amount of  
6 hazardous waste generated.

7 (2) Includes a plan to document and implement  
8 source reduction measures for the hazardous wastes  
9 specified in paragraph (1) that are technically feasible  
10 and economically practicable for the generator,  
11 including a reasonable implementation schedule.

12 (g) "SIC Code" has the same meaning as defined in  
13 Section 25501.

14 (h) "Hazardous waste," "person," "recycle," and  
15 "treatment" have the same meaning as defined in Article  
16 2 (commencing with Section 25110).

17 SEC. 7. Section 25244.15.1 is added to the Health and  
18 Safety Code, to read:

19 25244.15.1. (a) The California Source Reduction  
20 Advisory Committee is hereby created and consists of the  
21 following members:

22 (1) The Executive Director of the State Air Resources  
23 Board.

24 (2) The Executive Director of the State Water  
25 Resources Control Board.

26 (3) The Director of Toxic Substances Control.

27 (4) Ten public members with experience in source  
28 reduction as appointed by the California Environmental  
29 Policy Committee established pursuant to Section 71017  
30 of the Public Resources Code. These public members  
31 shall include all of the following:

32 (A) Two representatives of local governments from  
33 different regions of the state.

34 (B) One representative of a publicly owned treatment  
35 works.

36 (C) Two representatives of industry.

37 (D) One representative of small business.

38 (E) One representative of organized labor.

39 (F) Two representatives of statewide environmental  
40 advocacy organizations.



1 (G) One representative of a statewide public health  
2 advocacy organization.

3 (b) Three of the initial appointees to the advisory  
4 committee shall serve for an initial term of one year.  
5 Three of the initial appointees shall serve for an initial  
6 term of two years. These members shall determine by lot  
7 the terms to which they are appointed. All other  
8 appointees shall serve three-year terms.

9 (c) The advisory committee shall select one member  
10 to serve as chairperson.

11 (d) The members of the advisory committee shall  
12 serve without compensation, but each member, other  
13 than officials of the state, shall be reimbursed for all  
14 reasonable expenses incurred in the performance of his  
15 or her duties, as authorized by the department.

16 (e) The advisory committee shall meet at least  
17 semiannually to provide a public forum for discussion and  
18 deliberation on matters pertaining to the  
19 implementation of this chapter.

20 (f) The advisory committee's responsibilities shall  
21 include, but not be limited to, the following:

22 (1) Reviewing and providing consultation and  
23 guidance in the preparation of the work plan required by  
24 Section 25244.22.

25 (2) Evaluating the performance and progress of the  
26 department's source reduction program.

27 (3) Making recommendations to the department and  
28 to the Legislature for program activities and funding  
29 priorities.

30 SEC. 8. Section 25244.17.1 is added to the Health and  
31 Safety Code, to read:

32 25244.17.1. The department shall establish a technical  
33 assistance and outreach program to promote  
34 implementation of model source reduction measures in  
35 priority industry categories.

36 (a) Every two years, in the work plan required by  
37 Section 25244.22, the department shall, in consultation  
38 with the advisory committee, select at least two priority  
39 categories of generators by SIC Code. At least one  
40 selected category of generators shall be taken from the

1 list of categories previously selected by the department  
2 under Section 25244.18. At least one selected category of  
3 generators shall be a category that consists primarily of  
4 small businesses.

5 (b) For each selected priority industry category, the  
6 department shall implement a cooperative source  
7 reduction technical assistance and outreach program to  
8 include the following elements:

9 (1) The department shall use available resources,  
10 including reports prepared pursuant to paragraph (4) of  
11 subdivision (a) of Section 25244.18 and information on  
12 source reduction methods from federal, state, and local  
13 governments and industry associations and industry  
14 members, to identify a set of model source reduction  
15 measures for each industry category.

16 (2) The department shall determine, with the  
17 assistance of the advisory committee, the most effective  
18 technical assistance and outreach methods to promote  
19 implementation of the model source reduction measures  
20 identified in paragraph (1).

21 (3) The department shall develop a plan and schedule  
22 to implement the technical assistance and outreach  
23 measures before the next biennial work plan. The  
24 measures may include, but are not limited to, all of the  
25 following:

26 (A) Holding, presenting at, or cosponsoring  
27 workshops, conferences, technology fairs, and other  
28 promotional events.

29 (B) Developing and distributing educational  
30 materials, such as short descriptions of successful source  
31 reduction projects.

32 (C) Developing checklists, training manuals,  
33 technical resource manuals and using those resources to  
34 train CUPAs, small business development corporations,  
35 business environmental assistance centers, and other  
36 regional and local government environmental programs.

37 (D) Preparing and distributing resource lists, such as  
38 lists of vendors, consultants, or providers of financial  
39 assistance for source reduction projects.

(E) Serving as an information clearinghouse to support telephone and onsite consultations with businesses and local governments.

(4) For industry categories that include primarily large or technically complex businesses, the source reduction technical assistance and outreach program shall emphasize activities that involve direct communication between department staff and industry members. For these industry categories, the department shall communicate with representatives of 80 percent of the state's companies in the category. For categories that consist primarily of small businesses, the cooperative source reduction program shall emphasize providing industry-specific training and resources to CUPAs, small business development corporations, business environmental assistance centers, and other regional and local government environmental programs for use in their inspections and other direct communications with businesses.

(c) While conducting activities under this section, the department shall coordinate its activities with appropriate industry and professional associations.

(d) The department shall coordinate activities under this section with grants made under Sections 25244.5 and 25244.11.5.

SEC. 9. Section 25244.17.2 is added to the Health and Safety Code, to read:

25244.17.2. The department shall establish a program to provide training and resources to CUPAs, small business development corporations, business environmental assistance centers, and other regional and local government environmental programs so that they can provide technical assistance to generators in identifying and applying methods of source reduction.

(a) The program established pursuant to this section shall emphasize activities necessary to implement Sections 25244.17 and 25244.17.1.

(b) The department shall determine, in consultation with the advisory committee, the most effective methods to promote implementation of source reduction

1 education programs by CUPAs, small business  
2 development corporations, business environmental  
3 assistance centers, and other regional and local  
4 government environmental programs. Program  
5 elements may include, but are not limited to, all of the  
6 following:

7 (1) Sponsoring workshops, conferences, technology  
8 fairs, and other training events.

9 (2) Sponsoring regional training groups, such as the  
10 regional hazardous waste reduction committees.

11 (3) Developing and distributing educational  
12 materials, such as short descriptions of successful source  
13 reduction projects and materials explaining how source  
14 reduction has been used by businesses to achieve  
15 compliance with environmental laws enforced by local  
16 governments.

17 (4) Developing site review checklists, training  
18 manuals, *and* technical resource manuals and using those  
19 resources to train CUPAs, small business development  
20 corporations, business environmental assistance centers,  
21 and other regional and local government environmental  
22 programs.

23 (5) Preparing and distributing resource lists such as  
24 lists of vendors, consultants, or providers of financial  
25 assistance for source reduction projects.

26 (6) Serving as an information clearinghouse to support  
27 telephone and onsite consultants with local governments.

28 (c) The department shall coordinate activities under  
29 this section with grants made under Section 25244.11.5.

30 (d) Each fiscal year, the department shall provide  
31 training and information resources to at least 90 percent  
32 of CUPAs.

33 SEC. 10. Section 25244.22 of the Health and Safety  
34 Code is amended to read:

35 25244.22. *Commencing* March 15, 2000, and on or  
36 before March 15 of every other year thereafter, the  
37 department shall prepare a draft work plan for the  
38 department's operations and activities in carrying out this  
39 article. The department shall prepare the work plan in  
40 consultation with the advisory committee and with other



1 interested parties, including local government, industry,  
2 labor, health, and environmental organizations. The  
3 department shall make the draft work plan available for  
4 public review for at least 45 days. During the public  
5 review period, the department shall hold a public  
6 meeting of the advisory committee to discuss the draft  
7 work plan. The department shall finalize the work plan  
8 on or before July 1, 2000, and on or before July 1, of every  
9 other year thereafter. The department may include this  
10 work plan within the report required pursuant to Section  
11 25171. This work plan shall include, but not be limited to,  
12 all of the following information:

13 (a) A summary analysis of readily available data on the  
14 state's hazardous waste generation and management  
15 patterns. The analysis shall include information from  
16 various data sources including:— hazardous waste  
17 manifests, biennial generator reports, and United States  
18 Environmental Protection Agency Toxics Release  
19 Inventory reports. The department shall estimate the  
20 quantities of hazardous waste generated in the state, by  
21 hazardous waste stream, the amounts of hazardous waste  
22 generated in the state by industry SIC Code, and the  
23 amounts of hazardous waste state generators sent offsite  
24 for management, by management method.

25 (b) An evaluation of hazardous waste source reduction  
26 progress in this state, using the data summary *analysis*  
27 prepared pursuant to subdivision (a).

28 (c) Recommendations for legislation.

29 (d) Identification of any state, federal, or private  
30 economic and financial incentives that can best  
31 accelerate and maximize the research and development  
32 of source reduction and other hazardous waste  
33 management technologies and approaches.

34 (e) The status, funding, and results of all research  
35 projects.

36 (f) A detailed summary of the extent to which the  
37 statewide goal of 5 percent per year reduction of the  
38 generation of hazardous wastes, pursuant to subdivision  
39 (e) of Section 25244.15, has been attained, and a detailed  
40 summary of the extent to which different categories of

1 facilities have attained the numerical goals established  
2 pursuant to paragraph (9) of subdivision (b) of Section  
3 25244.19. This summary, which shall use the data  
4 summary *analysis* prepared pursuant to subdivision (a),  
5 shall include an evaluation by the department of the  
6 reasons why these goals have or have not been attained,  
7 including an evaluation of the impact of economic growth  
8 or decline and changes in production patterns, and a list  
9 of appropriate recommendations designed to ensure  
10 attainment of these goals.

11 (g) An outline of the department's operations and  
12 activities under this article proposed for the next  
13 two-year period. The department shall use the *data*  
14 *summary analysis* prepared pursuant to subdivision (a) to  
15 select hazardous waste stream and industries for source  
16 reduction efforts. When identifying activities for  
17 inclusion in the work plan, the department shall also  
18 consider potential benefits to human health and the  
19 environment, available resources, feasibility of applying  
20 source reduction techniques to reduce selected  
21 hazardous waste streams and to reduce hazardous wastes  
22 generated by selected industries, and availability of  
23 related resources from other entities, such as other states,  
24 the federal government, local governments, and other  
25 organizations.

26 SEC. 11. Section 57000 of the Health and Safety Code  
27 is amended to read:

28 57000. For purposes of this division, the following  
29 terms have the following meaning:

30 (a) "Agency" means the California Environmental  
31 Protection Agency.

32 (b) "Council" means the California Environmental  
33 Policy Council established by Section 71017 of the Public  
34 Resources Code.

35 (c) "Secretary" means the Secretary for  
36 Environmental Protection.

37 SEC. 12. Section 57007 is added to the Health and  
38 Safety Code, to read:

39 57007. (a) The agency, and the offices, boards, and  
40 departments within the agency, shall institute quality

1 government programs to achieve increased levels of  
2 environmental protection and the public's satisfaction  
3 through improving the quality, efficiency, and  
4 cost-effectiveness of the state programs that implement  
5 and enforce state and federal environmental protection  
6 statutes. These programs shall be designed to increase the  
7 level of environmental protection while expediting  
8 decisionmaking and producing cost savings. The  
9 secretary shall create an advisory group comprised of  
10 state and local government, business, environmental, and  
11 consumer representatives experienced in quality  
12 management to provide guidance in that effort. The  
13 secretary shall develop a model quality management  
14 program that local agencies charged with implementing  
15 air quality, water quality, toxics, solid waste, and  
16 hazardous waste laws and ~~regulation~~ *regulations* may use  
17 at their discretion.

18 (b) Notwithstanding Section 7550.5 of the  
19 Government Code, the agency, and each board,  
20 department, and office within the agency, shall submit a  
21 yearly report to the Governor and Legislature, as part of  
22 the annual budget process, reporting on the extent to  
23 which these state agencies have attained their  
24 performance objectives, and on their continuous quality  
25 improvement efforts.

26 (c) Nothing in this section abrogates any collective  
27 bargaining agreement or interferes with any established  
28 employee rights.

29 (d) For purposes of this section, "quality government  
30 program" means all of the following:

31 (1) A process for obtaining the views of employees, the  
32 regulated community, the public, environmental  
33 organizations, and governmental officials with regard to  
34 the performance, vision, and needs of the agency  
35 implementing the quality government program.

36 (2) A process for developing measurable performance  
37 objectiveness using the views of the persons and  
38 organizations specified in paragraph (1).

(3) Processes for continually improving quality and for training agency personnel, using the information obtained from implementing paragraphs (1) and (2).

SEC. 13. Section 57008 is added to the Health and Safety Code, to read:

57008. (a) For purposes of this section the following definitions shall apply:

(1) "Chemical" means a toxic chemical selected by the council and listed on the program list pursuant to paragraph (1) of subdivision (c).

(2) "Program" means the California Challenge Program established by this section.

(3) "Release" means a release of a chemical into the environment in any manner and by any means. "Release" includes, but is not limited to, any release authorized or permitted pursuant to a statute, ordinance, regulation, or rule of any federal, state, local, or regional agency or government or by a permit, license, variance or other authorization from the agency or government.

(b) There is hereby created in the agency a voluntary chemical release reduction program that shall be known as the California Challenge Program. The program shall be administered by the council, which shall be assisted by the principal officer in the office of the secretary responsible for scientific and environmental technology policy. The program shall promote the reduction of chemical releases to all environmental media, including, air, land, and water, by enlisting the participation of facilities in the program that agree to voluntarily implement chemical release reduction measures. The council shall solicit participation by facilities that offer to implement measures that reduce total chemical releases by 33 percent by the end of the year 2005, and by 67 percent by the end of the year 2010, using the volume of chemical releases during the calendar year 1999 as the baseline from which to measure chemical release reductions.

(c) In implementing the program the council shall do all of the following:



(1) Select, and place on the program list, 20 chemicals from the list of toxic chemicals in Subpart D (commencing with Section 372.65) of Part 372 of Title 40 of the Code of Federal Regulations. The chemicals selected shall be the focus of the program. In selecting a chemical for the program list, the council shall take into consideration all of the following:

(A) Estimates of the volumes of releases of the chemical into each environmental medium.

(B) The types of facilities that release the chemical into the environment.

(C) The potential for reductions in releases of the chemical to one environmental medium resulting in an increase in releases of the chemical to a different environmental medium.

(D) The public health and environmental benefits associated with reductions in the amounts of the chemical released into the environment.

(2) Publicize the program list of chemicals and encourage facilities throughout the state to participate in the program.

(3) Provide appropriate public recognition of facilities that successfully are implementing a schedule for introducing chemical release reduction measures that enable them to meet the goals specified in subdivision (a).

(4) Establish a means for monitoring the progress that each facility participating in the program is making toward implementing toxic chemical release reductions. If a facility is subject to the reporting requirement of Section 6607 of the federal Pollution Prevention Act of 1990 (42 U.S.C. Sec. 13106), the facility may use the report required by that section to demonstrate progress toward the goals of the program.

(5) Evaluate the implementation of the program and report on the progress of the program in the Environmental Report of the Governor required pursuant to Section 12805.5 of the Government Code.

(d) A facility that elects to participate in the program may specify the chemical releases with respect to which

1 the facility will take measures to reduce. The facility may  
2 withdraw from the program at any time and without  
3 stating a reason. Participation the the program shall not  
4 create a presumption that the participating facility has  
5 determined that any chemical release reduction measure  
6 is technically feasible or economically practicable  
7 pursuant to any other provision of law.

8 (e) Actions of the council pursuant to this section are  
9 exempt from the requirements of Chapter 3.5  
10 (commencing with Section 11340) of Division 3 of Title  
11 2 of the Government Code.

12 (f) The requirements of this section shall be  
13 implemented using existing resources of the agency and  
14 the boards, departments, and offices in the agency.

